



BioEnergy Producers Association
Clean Technology for Renewable Energy

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James L. Stewart
Chairman of the Board

David Roberti, Senator (Ret.)
President

Kay Martin
Vice President

California Energy Commission
Dockets Office, MS-4
Re: Docket No. 11-IEP-1A
1516 Ninth Street
Sacramento, CA 95814-5512

Remarks Prepared
for the Committee Workshop on the California Clean
Energy Future
July 6, 2011
James L. Stewart
Chairman of the Board,
BioEnergy Producers Association

The Bioenergy Producers Association (BPA) was formed in 2004 to advance the development and commercialization of sustainable, environmentally preferable industries that produce alternative energy from agricultural, forestry, and urban sources of biomass and plastic wastes.

Our Association is concerned that the presentations on metrics at this workshop on July 6, 2011 and the California Clean Energy Future document itself included scarce references to the potential or actual use of biomass as a feedstock for the production of liquid and electric energy in the state.

Biomass in all its forms, and specifically solid waste, constitutes one of California's most practical and readily available sources of energy.

The recycling of the carbon to be found in solid waste and its conversion into advanced, non-food derived biofuels and electricity is one of California's most powerful, untapped pathways to a better environment and energy independence. The Air Resources Board has identified solid waste as one of the most appropriate feedstocks available to assist in meeting its goals for the Low Carbon Fuels Standard.

In 2010, California placed in landfills 30.4 million tons of post-recycled municipal solid waste, enough carbon to co-produce at least 1.5 billion gallons of ethanol and 1200 MW of power. Incidentally, this represented a 700,000-ton reduction in the disposal rate from the previous year, not resulting from increased recycling, but from reduced population, because the daily per capita disposal rate remained the same.

There will be very little growth in renewable energy production for the metrics involved in the California Clean Energy Future to measure unless the legislature establishes a business climate that encourages private capital to invest, and emerging bioenergy technologies to operate, in this state.

Currently, almost 300 companies across North America are pursuing processes and technologies related to the production of advanced biofuels, chemicals and/or electricity from organic waste. However, despite the interest expressed in these new technologies by at least 16 jurisdictions in the state, and the decade-long effort by some of these agencies to implement these technologies, this industry is virtually at a standstill in California.

In fact, California-based bioenergy companies have now located in other states, or actually moved out of the state, something approaching \$1 billion in capital expenditures for waste-to-clean energy conversion technologies, essentially in frustration resulting from the statutory and regulatory environment with which they would be forced to deal.

In the previous session of the legislature, this Association sponsored comprehensive legislation to correct scientifically inaccurate definitions in statute and implement other measures that would give this industry assurances that it could function on a reasonable basis in the state. We applaud the Energy Commission, the Air Resources Board and CalRecycle for joining 100 other statewide stakeholders in endorsing that legislation.

The bill, AB 222, passed the Assembly and was anticipating final passage in the Senate and signature by the Governor, when the five Democrats on the Senate Environmental Quality Committee, with concurrence from the staff of the President Pro Tem, gutted and essentially reversed the goals of this legislation, forcing it to be abandoned.

Late last year CalRecycle issued several rulings that specific companies could meet the gasification definition, thereby qualifying for RPS and landfill reduction credit. Subsequently, the staff of the President Pro Tem demanded that the Governor rescind that ruling, a blunt statement that the legislature of this state is not interested in enabling this critical new industry to operate in California, a message which totally disregards its potential contribution to renewable energy production, energy independence, an improved environment and in-state

investment and jobs generation. We trust that the Brown Administration will hold firm on these rulings.

Our Association applauds the administration for taking the initiative, through its Bioenergy Interagency Working Group, to author and pursue the state's BioEnergy Action Plan, and we urge you to hold fast to meeting its goals.

In response to those who have attempted to suppress the introduction of waste-based bioenergy technologies in California during the past decade, we would state that the concept of achieving zero waste via source reduction and increased recycling alone is a pipe dream. Even if the state were able to achieve 75% recycling by 2020, which we believe will be impossible without new technologies and approaches for the recycling of carbon, it would still be landfilling approximately 25 million tons of solid waste per year. And even if the state could reach a goal of 75% recycling during the next nine years, California will landfill at least another 225 million tons of solid waste in the interim. The production of renewable energy would seem to be a better alternative than the generation of methane from landfills.

We strongly urge the Joint Committee to properly assess the state's resources for the use of solid waste as a feedstock for renewable energy production, and to devise metrics for inclusion in this study that emphasize the potential for this emerging industry.